BRITISH COLUMBIA

BC STATS

Service BC
Ministry of Labour & Citizens' Services

Infoline

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- **BC's population up 5.3% since 2001 census; but shrinking in some regions**
- **Pemberton fastest-growing municipality; View Royal and Langford lead the larger centres**
- **Province's energy consumption down in 2005**

2006 Census

- **A total of 4,113,487 British Columbians were counted in the census taken on May 16, 2006, 5.3% more than in May 2001.** The net addition of 205,749 people was approximately equal to the population of Burnaby, or Saanich, Victoria, and Oak Bay combined. Canada's population grew 5.4%, to 31,612,897.

  Data from other Statistics Canada sources indicate that international migration accounted for 71% of BC's population growth between 2001 and 2006. Twenty-four percent was due to natural increase (excess of births over deaths), while migration from other regions in Canada accounted for just 5% of the growth.

  It should be noted that these census figures exclude a number of people who were missed on census day. An estimate of the net census undercount will not be available until 2008, but in 2001 the national net undercount was 2.99% of the population, while the corresponding BC figure was 4.04%. *Source: 2006 Census of Canada*

- **Although BC's 5.3% growth rate exceeded the 4.9% population gain recorded between 1996 and 2001, it was marginally lower than the Canadian average (+5.4%).** This was the first time in at least fifty years that the province's intercensal population growth has failed to top the national rate. Alberta (+10.6%), Ontario (+6.6%) and the three territories all posted faster population growth than BC. *Source: 2006 Census of Canada*

- **Within the province, population growth was concentrated in the Lower Mainland, southern portions of Vancouver Island, southern Interior regions and in northeastern BC.** The Kootenay, northern Interior and northwestern regions saw population declines.

  BC's fastest-growing municipality was Pemberton, which saw a 33.5% gain (to 2,192 persons) between 2001 and 2006. View Royal (+20.6%) and Langford (+19.2%) led the way among larger municipalities (those with a population of at least 5,000). Other municipalities in the top ten posted gains ranging from 10.3% in Mission to 15.5% in Port Moody. In this group, seventh-ranked Kelowna (+10.8%) was the only municipality that was not located in the Lower Mainland or on Vancouver Island.

  Municipalities in northwestern BC did not fare as well. Kitimat (-12.6%) and Prince Rupert (-12.5%) posted double-digit declines, and the population of Terrace (-6.5%), Smithers (-3.6%) and Prince George (-2.0%) also shrank between 2001 and 2006. *Source: 2006 Census of Canada*

- **BC has become Canada's most highly urbanized province, with 85.4% of its population living in urban areas, just slightly more than in Ontario (85.1%).** The national average is 80.2%. *Source: 2006 Census of Canada*

The Economy

- **Shipments by BC manufacturers slipped (-0.4%, *seasonally adjusted*) in January as a slight increase in shipments by producers of non-durable goods (+0.5%) was offset by a slump in the durables sector (-1.1%).** The decline in the durable goods sector was driven by a decrease in the wood industry (-1.5%). Shipments of transportation equipment (+21.1%) continued to see-saw while producers of non-metallic mineral products (+1.1%), computer & electronic goods (+4.0%), and machinery (+5.8%) made notable gains. However, these were offset by weakness in the primary (-1.9%) and fabricated (-3.1%) metals industries.

  Among producers of non-durables, manufacturers of chemicals (+7.3%) and paper products

Report Third Quarter Review of BC's Tourism Sector

Did you know...
One-third of Canadians choose the computer (35%), as their favourite technology device of all time, followed by the television (16%) and cellular phone (15%). *Source: Ipsos Canada*

(+1.0%) recorded sizeable increases, but this was tempered by a slowdown in the food industry (-0.4%).

Across the nation, shipments fell 2.1% to $48.6 billion in January due in part to continued volatility in the transportation sector. Seven provinces recorded lower shipments in January, with Ontario (-3.3%), and Quebec (-3.7%) posting the biggest declines. *Data Source: Statistics Canada*

- **Compared to the same month last year, the value of building permits issued by BC municipalities soared 64.5% (*unadjusted*) in January, with increased activity in every region except Cariboo (-31.1%).** Nechako (+0.9%) posted a modest increase, but permits in other parts of the province increased at double- and even triple-digit rates. The biggest surge was in North Coast (+282.0%), where permits climbed to $2.7 million, up from $0.7 million in January 2006. The jump was largely due to planned spending on commercial buildings, but residential permits were also up sharply. Kootenay (+197.9%) also posted a big increase, while permits in Mainland/Southwest (+74.1%), Thompson/Okanagan (+42.2%), Northeast (+34.0%) and Vancouver Island/Coast (+30.9%) were also significantly higher.

  Data Source: Statistics Canada & BC Stats

- **Sales of new motor vehicles in the province fell back (-4.6% *seasonally adjusted*) in January.** Sales were down in five other provinces, resulting in a 3.3% decline at the national level. January sales of North American-built passenger cars (-11.0%) took the biggest hit, as cars manufactured overseas (+1.4%) gained ground.

  Data Source: Statistics Canada

Energy

- **The province's demand for energy dropped (-2.2%) in 2005, as a result of declining consumption in the industrial and transportation sectors.** British Columbia consumed 899 petajoules of energy in 2005, down from a high of 919 petajoules in 2004. (A petajoule is about the amount of energy required to operate a metropolitan subway system for a year.) Despite the province's overall decrease in energy demand, residential (+4.6%) and commercial (+1.3%) usages were up substantially from 2004. Canada's energy demand (-0.4%) fell for the first time in three years with all but four provinces marking declines.

  Data Source: Statistics Canada

Telecommunications

- **At the end of the third quarter of 2006, the number of traditional residential telephone lines in the country was down 6.5% over the same period of 2005.** In contrast, the wireless telecommunications industry continued to boom, with the total number of subscribers reaching over 17.6 million, up 10.1% from the same quarter of 2005. Canada's wireless industry saw revenues soar as operating profits exceeded $1 billion for the first time in history.

  Data Source: Statistics Canada

The Nation

- **Canadian industries operated at 82.5% of full capacity during the last three months of 2006, hitting the lowest level in over three years.** Utilization was down for the fourth consecutive quarter with production cooling off in every sector.

  On an annual basis, capacity utilization last year was 84.1%, down from 85.3% in 2005. Capacity use fell in all sectors but the electric power and mining, oil & gas extraction sectors (each down 3.6 percentage points) saw the most substantial reduction. Twelve of the 21 manufacturing industries saw lower capacity use last year as did forestry & logging and construction.

  Data Source: Statistics Canada

- **Labour productivity in Canada's business sector increased 1.2% in 2006, a slower growth rate than in 2005 (+2.1%), but still considerably higher than levels in 2003 and 2004.** The slowdown in productivity growth was partially due to skilled labour shortages in the West, which led to the second straight annual increase in the escalation of hourly compensation (+3.8%). Growth in hours worked accelerated to 1.5%, while GDP growth decelerated to 2.7%. Labour productivity growth also slowed in the US last year (+1.7% down from +2.1% in 2005).

  Data Source: Statistics Canada

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For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Infoline Report

Issue: 07-11
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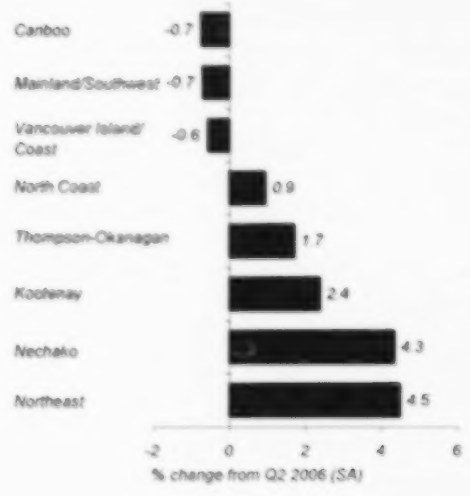
Originally published in *Tourism Sector Monitor* Issue 07-01

Third Quarter Review of BC's Tourism Sector

Room revenues: a "mixed bag"

The third quarter of 2006 was a mixed bag of "ups" and "downs" for room revenues, leaving the overall picture looking rather flat (+0.1%) after a strong performance in the previous quarter. Cariboo saw revenues drop 0.7%, while Vancouver Island/Coast (-0.6%) and Mainland/Southwest (-0.7%), together accounting for more than seventy percent of BC's total room revenues, were both off. These declines were offset by strong performances elsewhere in the province. The northern regions posted the most solid signs of growth. Northeast (+4.5%) saw growth in demand for temporary accommodations for workers, and an increase in revenues at smaller hotels and motels resulted in positive gains for Nechako (+4.3%). Kootenay (+2.4%), Thompson/Okanagan (+1.7%), and North Coast (+0.9%) also posted a steady growth in receipts to close out the summer season.

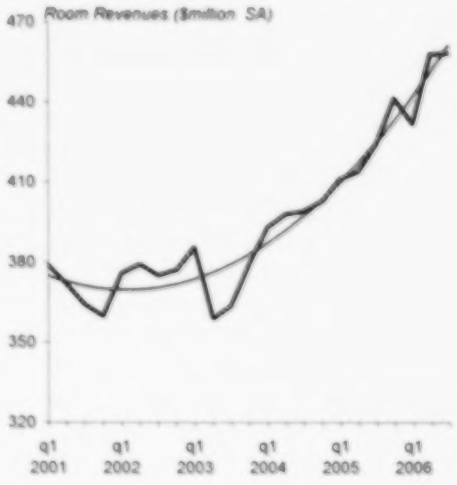
Strong growth in Nechako and Northeast



Data Source: BC Stats

Overall, room revenues remain at record high levels of over $458 million as room revenues in the sector continue to grow.

Room revenues at record high levels in third quarter



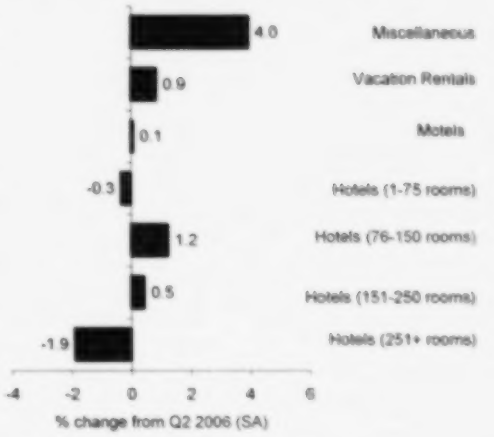
Data Source: BC Stats

Hotels in the province saw revenues edge down 0.4%. The largest hotels (251+ rooms), most of which are located in Mainland/ Southwest and Vancouver Island/Coast saw revenues slip (-1.9%) following very strong second quarter gains. The smallest hotels (1–75 rooms, -0.3%) slumped with respect to room revenues. Other types of hotels fared somewhat better. Revenues inched up a little, however, at those hotels with 151–250 rooms (+0.5%), as did those at hotels with 75–150 rooms (+1.2%).

Business was virtually unchanged at motels (+0.1%), posting only marginal gains in the third quarter, as revenues at vacation rentals improved (+0.8%) slightly.

Other types of accommodations, including fishing lodges, bed and breakfasts, and resorts fared reasonably well, as their revenues increased by 4.0%, topping all other accommodation types in BC, and adding to an already strong performance in the second quarter.

Relatively strong growth amongst fishing lodges, bed and breakfasts, and resorts



Data Source: BC Stats

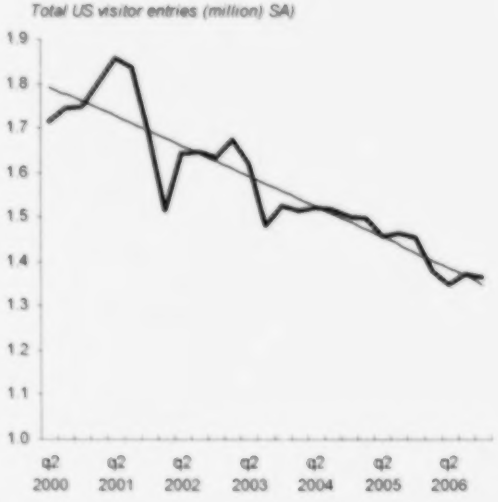
Visitor entries dip slightly

Visitor entries to Canada via BC's borders were down 0.3% (seasonally adjusted) in the third quarter. American entries, accounting for about eighty percent of total international visitors, decreased 0.5%. BC welcomed more same-day visitors (+5.1%), but fewer overnight guests (-3.8%) from the US.

The number of guests from overseas locations increased (+0.5%), with the volume of visitors from Asia growing 2.7%, in part due to an increase in entries from Hong Kong (+1.8%) and South Korea (+1.1%).

Entries from Europe were flat, as a rise in the number of visitors from the UK (+1.7%) was offset by a sharp decline in guests from Germany (-7.7%). There was also a decline in the number of travellers from Oceania (-2.7%), mostly due to a drop in Australian visitors (-2.8%).

Downward trend in American visitors continues through the third quarter



Data Source: BC Stats

Other indicators

Hotel occupancy rates averaged 69.0% (seasonally adjusted) in the third quarter, up 3.6 percentage points. The average room rate in BC, at $131.70, increased 5.9% from the second quarter of 2006.

The Victoria airport (+0.8%) was slightly busier during the third quarter of 2006, as was the Vancouver airport (+0.2%), but only marginally so. Traffic along the Coquihalla Highway was up 2.8%, while BC Ferries welcomed more vehicles (+0.5%) and more passengers (+0.5%) aboard their vessels.

Employment in the major tourism-related industries rose 1.5%. The number of people working in the accommodation industry showed the strongest growth (+3.0%). Employment in arts, entertainment & recrea-

tion (+2.3%), air transportation (+1.5%), as well as food & beverage (+0.9%), all increased in the third quarter.

BC's restaurant, caterer, and tavern receipts fell 0.2%, as an increase in receipts received at drinking places (+8.1%) was offset by a decline in revenues at food establishments (-0.8%).

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also on the Internet at www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Oct 1/06	% change on one year ago
BC	4,327.4	1.2
Canada	32,730.2	1.0
GDP and INCOME (Revised Nov 8)		
(BC - at market prices)	2005	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	168,855	7.2
GDP *($ 1997 millions)*	145,501	3.7
GDP *($ 1997 per Capita)*	34,173	2.4
Personal Disposable Income *($ 1997 per Capita)*	20,983	2.4
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - Jan	3,470	-0.4
Merchandise Exports - Jan	2,747	-0.4
Retail Sales - Dec	4,486	2.4
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Jan 2007)	one year ago	% change
BC	2.2	1.8
Vancouver	2.6	2.0
Victoria	1.7	1.5
Canada	1.2	1.9
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Feb '07	prev. month
Labour Force - BC	2,347	-0.2
Employed - BC	2,253	0.1
Unemployed - BC	95	-7.1
		Jan '07
Unemployment Rate - BC *(percent)*	4.0	4.3
Unemployment Rate - Canada *(percent)*	6.1	6.2
INTEREST RATES (percent)	Mar 14/07	Mar 15/06
Prime Business Rate	6.00	5.50
Conventional Mortgages - 1 year	6.40	6.05
- 5 year	6.49	6.45
US/CANADA EXCHANGE RATE	Mar 14/07	Mar 15/06
(avg. noon spot rate) Cdn $	1.1754	1.1553
US $ *(reciprocal of the closing rate)*	0.8506	0.8662
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Feb '07	one year ago
BC	743.33	3.7
Canada	733.94	2.5

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

2006 Census (Population and Dwellings)

The first data release from the 2006 Census is available on Statistics Canada's site.

www12.statcan.ca/english/census06/release/release_popdwell.cfm

Maps on-line (2006 Census Geography)

Maps of even the smallest geographic units for which numerous census characteristics will be produced are now available free.

www12.statcan.ca/english/census06/geo/index.cfm

Guide to the BC Economy & Labour Market

In response to requests from users of the interactive web site, the *Guide* is now also available in PDF format.

www.bcstats.gov.bc.ca/pubs/econ_gui.asp

Released this week by BC STATS

- Exports, January 2007
- 2006 Census, Population and Dwellings (Tuesday, March 13th)

Next week

- Consumer Price Index, February 2007

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